

Effective 5/13/2014

Part 7

Endowment Funds for History Organizations

9-8-701 Definitions.

As used in this part:

- (1) "Board" means the Board of State History.
- (2) "Division" means the Division of State History.
- (3) "Endowment fund" means any history endowment fund created under this part by a qualifying organization.
- (4) "Qualifying organization" means any Utah nonprofit history organization or local government that qualifies under this chapter to create an endowment fund, receive state money into the endowment fund, match state money deposited into the endowment fund, and expend interest earned on the endowment fund.

Amended by Chapter 166, 2014 General Session

9-8-703 History organization endowment funds.

- (1)
 - (a) A qualifying organization may create an endowment fund into which there may be deposited money from funds made available for that purpose.
 - (b) The principal of each endowment fund may not be expended by the qualifying organization and shall be held in perpetuity solely by the qualifying organization or by the Division of Finance on behalf of the qualifying organization.
 - (c) Only interest income earned on the amount in each endowment fund may be expended by the qualifying organization.
 - (d) The principal of each endowment fund shall be invested in accordance with Title 51, Chapter 7, State Money Management Act.
- (2)
 - (a) An endowment fund shall be administered in accordance with generally accepted accounting principles by professional endowment management personnel.
 - (b) If no professional endowment management personnel is available to the qualifying organization, the qualifying organization shall place the endowment fund in a state trust and agency fund administered by the Division of Finance.
- (3) If an endowment fund is administered by the Division of Finance:
 - (a) the Division of Finance shall allocate interest income to the qualifying organization annually; and
 - (b) the costs for the administration shall be deducted from the interest income before allocations of interest income may be made to the qualifying organization by the Division of Finance.

Amended by Chapter 166, 2014 General Session

9-8-704 Division duties.

The division shall, according to policy established by the board:

- (1) allocate money from funds made available for that purpose to the endowment fund created by a qualifying organization under Section 9-8-703;

- (2) determine the eligibility of each qualifying organization to receive money from funds made available for that purpose into the endowment fund of the qualifying organization;
- (3) determine the matching amount each qualifying organization must raise in order to qualify to receive money from funds made available for that purpose;
- (4) establish a date by which each qualifying organization must provide the qualifying organization's matching funds;
- (5) verify that matching funds have been provided by each qualifying organization by the date determined in Subsection (4); and
- (6) in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, make rules establishing criteria for determining the eligibility of qualifying organizations to receive money from funds made available for that purpose.

Amended by Chapter 166, 2014 General Session

9-8-705 Eligibility requirements of qualifying history organizations -- Allocation limitations -- Matching requirements.

- (1) A qualifying organization may apply to receive money from funds made available for that purpose to be deposited into an endowment fund created under Section 9-8-703 if the qualifying organization has:
 - (a) received a grant from the division during one of the three years immediately before making application for money under this Subsection (1); or
 - (b) not received a grant from the division within the past three years, the qualifying organization may receive a grant upon approval by the division according to policy of the board.
- (2)
 - (a) The maximum amount that may be allocated to each qualifying organization from funds made available for that purpose shall be determined by the division in a format to be developed in consultation with the board.
 - (b) The minimum amount that may be allocated to each qualifying organization from funds made available for that purpose is \$2,500.
- (3)
 - (a) After the division determines that a qualifying organization is eligible to receive money from funds made available for that purpose and before any money is allocated to the qualifying organization from available funds, the qualifying organization shall match the amount qualified for by money raised and designated exclusively for that purpose.
 - (b) State money and in-kind contributions may not be used to match money from funds made available for that purpose.
- (4) Endowment match money shall be based on a sliding scale as follows:
 - (a) amounts requested up to \$20,000 shall be matched one-to-one;
 - (b) any additional amount requested that makes the aggregate amount requested exceed \$20,000 but not exceed \$50,000 shall be matched two-to-one; and
 - (c) any additional amount requested that makes the aggregate amount requested exceed \$50,000 shall be matched three-to-one.
- (5)
 - (a) Qualifying organizations shall raise the matching amount by a date determined by the board.
 - (b)
 - (i) Money from funds made available for that purpose shall be released to the qualifying organization upon verification by the division that the matching money has been received on or before the date determined under Subsection (5)(a).

- (ii) Verification of matching funds shall be made by a certified public accountant.
- (c) Money from funds made available for that purpose shall be released to qualifying organizations with professional endowment management in increments of at least \$2,500 as audited confirmation of matching funds is received by the board.
- (d) Money from funds made available for that purpose shall be granted to each qualifying organization on the basis of the matching funds the qualifying organization has raised by the date determined under Subsection (5)(a).

Amended by Chapter 166, 2014 General Session

9-8-707 Spending restrictions -- Return of endowment.

- (1) A qualifying organization that has received endowment money from funds made available for that purpose:
 - (a) may not expend the money or the required matching money in the endowment fund; and
 - (b) may expend the interest income earned on the money in the endowment fund.
- (2) If a qualifying organization expends money in violation of Subsection (1), the qualifying organization shall return the amount of money allocated by the division under this part to the Division of Finance.

Amended by Chapter 166, 2014 General Session

9-8-708 Federal match.

Funds allocated by the division under this part to enable qualifying organizations to create their own endowment funds may be construed as a state match for any history funding from the federal government that may be provided.

Amended by Chapter 166, 2014 General Session